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Report of the International Monetary Fund on the Special Data Dissemination Standard and the General Data Dissemination System

Note by the Secretary-General

In accordance with a request of the Statistical Commission at its thirty-second session,** the Secretary-General has the honour to transmit to the Commission the report of the International Monetary Fund on the Special Data Dissemination Standard and the General Data Dissemination System. The Commission may wish to express its views on the recent developments described

* E/CN.3/2002/1.

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Report of the International Monetary Fund on the Special Data Dissemination Standard and the General Data Dissemination System

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I. Background

1. The International Monetary Fund (IMF) Data Standards Initiatives aim to enhance the availability of timely and comprehensive statistics and therefore contribute to the pursuit of sound macropolicies and to the improved functioning of financial markets.

2. The Special Data Dissemination Standard (SDDS) was established in 1996 to guide countries that have or might seek access to international capital markets in the provision of data to the public. There are currently (as of mid-December 2001) 50 subscribers to SDDS. Subscription is voluntary, and subscribers undertake to follow SDDS requirements with respect to the coverage, periodicity and timeliness of data and the dissemination of release calendars identifying in advance when data are to be released. Subscribers also undertake to pursue good practice with respect to the integrity and quality of data. SDDS subscribers provide information about their data compilation and dissemination practices for posting on the Internet on the Dissemination Standards Bulletin Board at http://dsbb.imf.org. Subscribers are also required to maintain an Internet web site, referred to as a national summary data page, which contains the actual data and to which the Bulletin Board is electronically linked.

3. The General Data Dissemination System (GDDS) was established in 1997 as a framework for countries to improve their statistical systems to meet the evolving requirements of the user community. GDDS fosters the application of sound methodological principles and rigorous compilation practices, the adoption of user-oriented dissemination practices and the observance of procedures that promote integrity identified in their plans. Countries that participate in GDDS provide metadata describing their data compilation and dissemination practices and detailed plans for improvement for posting on the Bulletin Board. Participation is voluntary, and countries may proceed towards the improvements at their own pace and according to their own priorities. Currently, metadata for 38 countries are on the Bulletin Board.

II. Special Data Dissemination Standard: highlights since the thirty-second session of the Commission

4. Three countries have joined the ranks of SDDS subscribers: Brazil, Tunisia and Costa Rica. All three had worked intensively with IMF staff in efforts to put in place the practices that would enable them to subscribe. IMF staff are actively working with an additional eight countries in the same way. In line with the IMF policy of encouraging countries to make use of international capital markets, there is interest in encouraging subscription by more than the 55 to 60 countries that were originally envisaged as potential subscribers because they have capital market access.

5. Over time, subscribers have worked down the number of plans for improvements needed to meet SDDS prescriptions (transition plans). The completion of those plans — ranging from the introduction of advance release calendars to initial compilation of national accounts on a quarterly basis — represents a substantial contribution to the availability of comprehensive and relevant macroeconomic statistics.

6. Subscribers' record of meeting release dates identified in advance has continued to improve. For monthly data, about 95 per cent of the dates identified in advance release calendars were met in November 2001, up from about 79 per cent a year earlier. For quarterly data, about 90 per cent of the release dates were met in the third quarter of 2001, up from 73 per cent one year earlier. Those improvements reflect the additional experience that national agencies have gained in organizing their work to meet release dates.

7. In July 2001, the IMF Executive Board conducted a review of the data dissemination initiative. The Executive Board's discussion was based on a staff paper, which, along with its supplement on the Data Quality Assessment Framework and a summary of the Executive Board's discussion, may be accessed on the IMF web site at http://www.imf.org/, under "What's new" entries for 27 September 2001. As part of that review, the Executive Board approved the integration of the Data Quality Assessment Framework into the data module of reports on the observance of standards and codes (see para. 15 below); noted progress in implementing the external debt category; welcomed improvements in the classification and coverage of data

disseminated in the template of international reserves and foreign currency liquidity; supported staff plans to continue to solicit user feedback on the IMF data dissemination standards; and supported staff plans to develop an open exchange system, based on the latest technology, for the distribution and exchange of statistical information on the Internet.

III. General Data Dissemination System: highlights since the thirty-second session of the Commission

8. The above-mentioned Executive Board review also covered GDDS. Executive Directors welcomed the articulation of the socio-demographic component of GDDS, on which the staffs of the Fund and the World Bank collaborated closely, in consultation with other agencies with specialized knowledge of the data categories covered — education, health, population and poverty. Thus, GDDS now addresses the specific needs of countries engaging in the poverty reduction strategy paper and heavily indebted poor countries initiatives. IMF staff were also instructed to update GDDS, in particular to take into account recent developments in statistical methodology. Those changes are reflected in the revised "GDDS document" and "Guide to GDDS", which are currently being distributed to member countries and international agencies.

9. Currently, 38 countries have completed descriptions of their current statistical practices and plans for short- and medium-term improvements (metadata) for the Bulletin Board. Work is under way to complete metadata for several more member countries, mainly in Africa but also in Asia and the Middle East. More than 80 countries have named GDDS coordinators as their point of contact on GDDS with IMF.

10. Since the inception of GDDS, several approaches have been taken to assist member countries wishing to participate. Regional approaches, working with such regional institutions as the Eastern Caribbean Central Bank and the Economic and Monetary Union of West African States, have proven to be particularly effective because they draw on synergies and make the most of scarce resources. Throughout, IMF has worked closely with the World Bank, and other bilateral and multilateral providers of technical assistance have been invited to participate in regional GDDS workshops and to use GDDS as a tool in the countries where they are active. The IMF Statistics Department is increasingly integrating GDDS into its technical assistance programme, and the most recent regional GDDS workshops are combining the drafting of metadata with the delivery of technical assistance to implement the plans for improvement identified by GDDS participants in their metadata. Countries wishing to participate in GDDS have benefited from the generous support of Japan and the United Kingdom, both in financing bilateral and regional workshops to draft metadata and providing technical assistance to help countries achieve the standards of good statistical practice espoused by GDDS.

IV. Data Quality Assessment Framework

11. The approach taken in SDDS and GDDS in their quality dimensions is to call on countries to provide methodological and other information that would facilitate users' assessment of quality according to their own needs. In the wake of the financial crises of the late 1990s, questions about quality have continued to arise. IMF welcomed a dialogue about how SDDS and GDDS could be used to increase understanding of data-quality issues and encourage improvements in data quality (a background document was made available at the thirty-first session of the Commission).

12. In one prong of a two-prong approach, IMF established the Data Quality Reference Site on the Bulletin Board (http://dsbb.imf.org/dqrsindex.htm). Its main objective is to foster an understanding of data quality. Drawing on contributions from the statistical community, the site introduces definitions of data quality, describes trade-offs among aspects of data quality and gives examples of evaluations of data quality. Suggestions for links or additions to the site continue to be welcome.

13. For the other prong, IMF stepped up the pace of work on a framework to assess data quality. Using an interactive and consultative approach, the staff developed a generic framework and a set of more detailed dataset-specific frameworks for national accounts, prices, monetary statistics, government finance statistics and balance of payments statistics (consultations included meetings of national accounts

experts (June 2000), heads of national statistical offices of the East Asian countries (August 2000), the European Central Bank Working Group on Money and Banking Statistics (September 2000), the Technical Expert Group on the Producer Price Index and the Voorburg Group on Service Statistics (September 2000), the ECB Statistics Committee (October 2000), the IMF Committee on Balance of Payments Statistics (October 2000), the IMF-Korea Statistical Quality Seminar 2000 (December 2000), the Government Finance Statistics Expert Group (February 2001), an international conference on the quality of official statistics (May 2001), and an OECD-Singapore meeting on the consumer price index (June 2001)). The resulting Data Quality Assessment Framework is an assessment methodology that aims to provide structure and a common language for the assessment of data quality. The Framework incorporates a comprehensive view of data quality that recognizes interrelationships, including trade-offs, among dimensions of quality, and allows emphases to vary across data categories and uses/users. It facilitates dialogue with national statistical agencies and country authorities more generally.

14. Three main areas were envisioned in which such an assessment methodology provided by the Framework could be helpful. First, it could help guide data users — both in the private and the public sectors — to gauge data quality for their own purposes. In that sense, it could serve as a useful complement to the quality dimensions included in SDDS and GDDS. Second, the Framework could be useful for guiding IMF staff in assessing the quality of data provided for country surveillance and operations, in preparing reports on the observance of standards and codes, and designing programmes of technical assistance. Third, the Framework could be useful to guide countries' efforts to strengthen their statistical systems by providing a self-assessment tool and to identify areas for improvement in which donor support might be sought.

15. One use of the Framework, as just noted, is in the preparation of the reports on the observance of standards and codes. IMF, in cooperation with other institutions, has been called upon to make assessments of country practices relative to a set of international standards and codes (see E/CN.3/2000/8). For data, the standards against which the assessments are made are SDDS and GDDS. Beginning in January 2001, the Framework was used on an experimental basis in the reports; the above-mentioned Executive Board discussion approved the incorporation of the Framework into those reports. As of mid-December 2000, reports incorporating assessments based on the Framework for five countries have been published (see IMF web site, at http://www.imf.org/external/np/rosc/rosc.asp).

16. For its technical assistance, IMF staff is also using the Framework to obtain a snapshot reading of the current situation, to identify the measures required to improve the situation (planning) and to structure the evaluation of the outcomes (monitoring). Since plans having been developed with the same Framework as that used for describing the statistical system it is much easier to assess the outcomes achieved.

17. Future development of the Framework is under way, in further collaboration with other interested parties. For example, the World Bank has prepared a similar framework for household income and expenditure survey data as a first step into the socio-demographic arena.